higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE (VOCATIONAL)

CONSUMER BEHAVIOUR
NQF LEVEL 3

21 November 2024

This marking guideline consists of 9 pages.

Copyright reserved

SECTION A

QUESTION 1

1.1	1.1.1	False
	1.1.2	False
	1.1.3	True
	1.1.4	False
	1.1.5	True
	1.1.6	True
	1.1.7	False
	1.1.8	True
	1.1.9	False
	1.1.10	True
	1.1.11	False
	1.1.12	True
	1.1.13	False
	1.1.14	False
	1.1.15	False

(15 × 1) (15)

1.2	1.2.1	G
	1.2.2	L
	1.2.3	A
	1.2.4	I
	1.2.5	B
	1.2.6	D
	1.2.7	N
	1.2.8	R
	1.2.9	P
	1.2.10	C
	1.2.11	E
	1.2.12	H
	1.2.13	F
	1.2.14	K
	1.2.15	M

(15 × 1) (15)
[30]

TOTAL SECTION A: 30

Copyright reserved

SECTION B

QUESTION 2

2.1
- Patty is the customer
- Julie is the consumer (2)

2.2
- A consumer is anyone who consumes a product or service. Consumers are end users in the buying process. They use the products and services not for resale or in production of other goods
- A customer will buy, for example, cell phones, watches which are not consumed. They buy for any other reason apart from using the product themselves.

(2 × 2) (4)

2.3 2.3.1 Refers to the set of personal circumstances of a consumer. How much money do they have? Which products do they need? Are they able to buy the products?

2.3.2 Refers to the circumstances of the specific organisation in the market. Organisations are also consumers who buy and sell in markets. The buyers in the organisation buy products based on rules and policies of that organisation. Businesses operate in different industries and operate within the confines of that industry.

2.3.3 The socio-economic context is a combination of social and economic circumstances and consists of elements like the language that people speak, how much money they earn, in which areas they live, in what type of housing they live and what their standard of living is.

(3 × 2) (6)

2.4 2.4.1 Industrial market consists of manufacturing businesses that buy products and services and use them to manufacture other products and services. (2)

2.4.2 The customer market buys products to
- process and make other products or provide other services
- use themselves
- to sell to other buyers
- to help them to deliver a service (4)

2.5
- Human resources
- Management policies
- How decisions are made
- Facilities
- Finance
- Company structure/culture/resources
- Vision, mission and objectives

Any relevant TWO answers (2)

2.6 Mass marketing is when organisations choose to market products or services to the big, overall market that consists of all the consumers who might buy other products. (2)

2.7
- One product − specialises in one particular product or services.
- Mass production − one type of factory that makes only one type of product and it saves a lot of money while manufacturing high quantities.
- Mass distribution − an enterprise sells its products by distributing them through any possible distribution channel.
- Mass promotion − promotion can take place in many different forms. Business can use special offers, stalls at sports events. (4 × 2) (8)

[30]

QUESTION 3

3.1
- Individual consumers − are individuals, separate from other people. They buy things to use themselves such as clothes, food, shoes. Individual consumers also buy for other people e.g. when the father buys groceries for the whole family.
- Group consumers − they consist of more than one individual consumer. They buy products and consume as a group. E.g. the Bafana Bafana team bought oranges to eat during half time.
- Business consumers − consumers who buy products and services from businesses so that they can make new products to sell and use, e.g., schools buys desks to use, old-age homes buy beds to use. (3 × 2) (6)

3.2
- Problem recognition
- Information search
- Evaluation of alternatives
- Purchase decision
- Post-purchase behaviour (5)

3.3 3.3.1

- Number of consumers − there are more people involved when organisational consumers buy products and services than in individual consumers.
- Rules and criteria − in organisational buying there are sets of rules and criteria that control the decision about which products and services to buy and who to buy from.
- Time – individual consumers make their buying decisions much quicker than in organisational buying.
- Amount − organisational consumers buy products and services in larger quantities than individual consumers who buy only for themselves in smaller quantities.
- Demand – varied with individual consumers and purchasing occurs from many suppliers, with organisational consumers the demand is specialised and only a few suppliers involved.
- Buying power – individual consumers have little power; organisational consumers have more buying power and sometimes prescribes the price. (2 × 2) (4)

3.3.2

- Satisfying needs and wants
- Buying the products they need
- Exchanging resources
- Buy from businesses
- Both the organisational and individual consumers use the five steps for consumer decision-making process.

(Any 3 × 2) (6)

3.4

- Centralised buying centre − All buying takes place at the central office which is usually the head office.
- Decentralised buying centre − Each branch buys its own products from its own suppliers. (2 × 2) (4)

3.5

- The marketing manager will do market segmentation to identify the different market segments.
- Enterprises can identify exactly what the consumers in that market want and need.
- If the enterprise knows what the customers need, it ensures that the products satisfy those needs.
- By keeping customers happy, the enterprise will make a lot of money.
- Get information about characteristics of specific groups to focus on.
- A marketing budget can be allocated in a better way.
- Competition could be strong in the total market but in a specific area it can be gauged.
- Allows the sales and marketing teams to focus their efforts on the specific segment.

Any FIVE relevant answers (5)
[30]

QUESTION 4

4.1 4.1.1 First-time users
4.1.2 Former users
4.1.3 Light or irregular users
4.1.4 Medium users

(4 × 1) (4)

4.2
- They may ask consumers to complete questionnaires in the shops where the products are sold.
- They may call clients to hear whether they were satisfied with the products and services (telephone interviews).
- They may do studies on the perceptions of the target market regarding the products.
- Marketers may ask consumers to arrange different products according to what they prefer to buy.
- Evaluate sales- if sales decrease, rethink your positioning strategy.
- Marketers may do market research by using the following methods:
- Focus groups
- Surveys
- Personal interviews
- Observation (Any 3 × 2) (6)

4.3
- PepsiCo Inc.
- Red Bull GmbH.
- Diageo PLC.
- Anheuser-Busch InBev NV.
- Ekhamanzi Springs (Pty) Ltd.
- Kingsley Beverages.
- Carlsberg Group.
- Schweppes (Any 3 × 1) (3)

4.4
- Mass marketing or undifferentiated strategy/market aggregation
- Single-segment marketing or concentrated market segmentation strategy
- Multi-segment marketing or differentiated strategy. (3)

4.5 Multi-segment/differentiated approach because Coca-Cola produces different products for different target markets. (3)

4.6
- Outgoing people
- Fun-loving people
- Party lovers/conferences, weddings
- Sports people (Any 3 × 1) (3)

Copyright reserved

4.7

- Introduction✓ − The new product is launched, or introduced into the market. The stage is characterised by lots of publicity in media to create awareness. Marketers need to create a lot of excitement in the market about the new product. Sales are low. Profit is zero or little because of high introduction costs. One of the characteristics of the introductory stage is that there is very little competition.✓

- Growth✓ − The product survives the introductory phase and moves to the growth stage. More and more consumers buy the product for the first time. Some consumers make repeat purchases leading to product adoption. Sales increase rapidly. Profits also increase. Costs associated with the products decline because more products are being bought. Manufacturing costs becomes cheaper because of economies of scale. Competitors can enter the market as they see that product is selling well.✓

- Maturity✓ − It is the stage during which the product settles into the market. The number of consumers who buy the products stays more or less the same because the number of consumers who buy the product have now bought it. Sales that take place are mainly to replace products that were consumed, such as batteries, or products that are old and need to be replaced.
  New consumers who enter the market will also buy the new products during the maturity stage.✓

- Decline✓ − Fewer items of the product are sold. Consumers may switch to other newer products. Only products and brands that have a very strong market position will survive the decline stage.✓

ONE mark for each stage and ONE characteristic of each stage. (4 × 2) (8)
[30]

QUESTION 5

5.1

- Market research helps managers in the organisation to understand the markets in which they do business.
- Managers make better decisions that can help the organisation to be more successful.
- Market research helps managers to understand why problems occur in the business.
- Market research is a useful tool to monitor the market position of the organisation and its products.
- The firm can do marketing research to predict the effect of certain changes regarding the product.

(Any 4 × 1) (4)

5.2
- Qualitative research methodology − relates to the qualities of something rather than quantity. The research focuses on qualities or characteristics of consumer perceptions, rather than specific numbers.
  The aim of qualitative research is to determine the respondents' honest beliefs and opinions of what people feel and think about organisations, products and services.
- Quantitative research methodology − Relates to quantity or numbers rather than the qualities or standards of something. It also focusses on analysing numbers and forming statistics to answer questions.

(2 × 2) (4)

5.3
- Executive summary
- Introduction
- Research objectives
- Hypothesis
- Research methods
- Data collection methods
- Data analysis methods
- Findings
- Links between published works and the findings
- Recommendations
- Conclusions
- References

(Any 4 × 1) (4)

5.4 5.4.1 Umbrella positioning refers to an overall image of the total organisation and not of separate products that it sells.

5.4.2 Positioning based on product benefit refers to marketers who base their positioning on the advantages or benefits of a particular product. In other words, they tell consumers how that product will improve their lives. This positioning strategy emphasises the benefit of this product in its advertisements. This strategy can also be used to show how the benefits of a product will prevent something negative.

5.4.3 Positioning against competition refers to where an organisation positions its products directly against the competition. Organisations compare themselves or their brands with their competitors. Care should be taken to avoid comparative advertising.

(3 × 2) (6)

5.5
- Stress causes stomach problems and headaches
- High temperatures of air conditioners
- Very loud noise in factories caused by heavy machinery
- Long working hours cause fatigue and result in employees making mistakes
- Poor housekeeping may result in injuries of employees
- Damaged electrical cables, may start fires
- Slippery and wet stairs and walkways and insufficient lighting may result in employees slipping and falling.
- Tools and equipment lying around.
- Things standing around in the corridors.
- Do not move heavy objects around.
- Do not use faulty equipment. (Any 4 × 1) (4)

5.6
- They prevent accidents, illness and injuries to employees and customers.
- They define what is acceptable behaviour and what is not.
- They help to save organisation money by preventing shoplifting and fraud.
- If the policies are applied well, they help to improve the reputation of the organisation as a business that cares for its employees and customers.
- Security measures are aimed at protecting confidential information to help improve the competitive edge.
- They help to ensure that all employees follow the same safety and security procedures.
- If fraud or theft does occur, it is easier to determine where and how the crime took place. Security officers view recordings, entry logs etc. Management can then develop better systems and prevent further fraud and thefts. (Any 4 × 2) (8)

[30]

TOTAL SECTION B: 120
GRAND TOTAL: 150

Copyright reserved